

INTEGRATED REPORTING ENHANCES “TRANSPARENCY” AND “RELEVANCY”: AN EMPIRICAL EVIDENCE

Krishna Oza

Abstract:

Financial reporting is one of the most important and crucial function of every corporate entity. In India financial reporting regulating authority had already issued guidelines to make reporting meaningful and transparent. However, with the current reporting method we are unable to know the involvement of top level management as well as Organisational resources utilization. The current research work is an attempt to know the impact of adoption of Integrated reporting system on transparency and relevancy of reporting. The said research work is explorative in nature. The Integrated Reporting system is not compulsory in India corporates at present. We have asked to accounting professionals about impact on reporting after adoption of Integrated Reporting System through structured Questionnaire. We have collected data from total 244 respondents. We have examined the influence of different demographic aspects of respondents (accounting professionals) on perception towards “transparency” and “relevancy” of financial reporting after adopting Integrated Reporting System through chi-square test. Accounting professionals believe that there will be over all enhancement in financial reporting transparency by adopting integrated reporting system. Over and above they also believe that one can include most relevant information about organizational working, Organisational plans and effective utilization of resources also through adoption of Integrated Reporting System.

Key Words: *Integrated Reporting System, Accounting Professionals, Explorative Research.*

INTRODUCTION:

Integrated financial reporting, appears to be the convergence of several disparate threads of academic research, scholarly literature, and marketplace demand. Traditional financial reporting focuses only backward, looking at financial data addressing the needs of equity and credit financial stakeholders. As the marketplace evolves, and nonfinancial stakeholders demand more information from businesses, the need for comprehensive financial information is key to continued success.

Integrated reporting integrates sections of sustainability initiatives, addresses the needs of multiple stakeholders, includes an overview of corporate programs and how they impact performance, and requires a more flexible and nimble accounting function. By integrating these multiple aspects of theories into a consolidated format that delivers a holistic view of financial performance, this format appears to address these issues thoroughly. By delivering a more inclusive and holistic presentation of financial performance to the marketplace, and by default, generating higher levels of engagement with stakeholder groups, this reporting template appears to create an environment for increased transparency and communication with external stakeholders.

INTEGRATED REPORTING:*MEANING:*

‘Integrated report is a concise communication about how an organization’s strategy, governance, performance and prospects, in the context of its external environment, lead to the creation of value in the short, medium and long term’, says International Integrated Reporting Council (IIRC).

Integrated Reporting binds together material information of the organization's strategy, governance, performance and prospects in a way that reflects the economic, social and environmental context within which it operates. It leads to a clear and concise articulation of the value creation of an organization which is useful and relevant to all stakeholders.

The Integrated reporting enables a business to bring these financial and sustainability reporting together through the concept of 'connectivity of information', to best disclose transparently and relevantly an organization’s value creation information as needed by the stakeholders.

Birth of Integrated Reporting was because of the organizations’ need to embrace integrated thinking and progress their traditional incomplete corporate financial reporting. Corporates have witnessed value creation, greater collaboration within their teams, better decision making and positive impact on stakeholder relationship. For meeting the stakeholders’ demand of more transparent information about the real world practical examples - the only way of disclosing this is an integrated report. Integrated Report of each organization is unique in its own way, as there is no standardized format; the preparers of the report try to share significant relevant information that depicts the best understanding about an organization’s financial and non-financial activities to its users.

ADOPTION OF INTEGRATED REPORTING ACROSS THE GLOBE:

Organizations having futuristic – long term ideology around the world have adopted Integrated Reporting. The number of such organizations switching to Integrated Reporting are increasing at a lightning speed.

South Africa is the only country in the world where Integrated Reporting is mandatory. Thus South Africa ranks at the first place. Followed by South Africa, Netherlands is at the second position in adopting Integrated Reporting. Researchers say that these two were quite small nations and thus adoption was easier. Germany was next in adopting Integrated Reporting. These three countries were the countries with highest adoption of Integrated Reporting. France, Italy, South Korea and the United Kingdom are the nations categorized in the medium adaptation of Integrated Reporting. Brazil, Japan and United States are considered among the low adopting nations. In absence of any standardized format there is a diversity in the adoption level in different countries having different geographical characteristics.

SITUATION IN INDIA:

Globally and in India Integrated Reporting has evolved significantly over the last decade because of it being more transparent, relevant and comprehensive in providing information to the key stakeholders.

The Companies Act 2013, Corporate Social Responsibility Legislation, SEBI Listing Requirements, Business Responsibility Reporting, etc., are some of the compliances in India that aimed on improving the quality of information disclosed and increasing business accountability and transparency towards societal issues.

The SEBI circular of February 2017 takes a step further by encouraging the top 500 companies to adopt the Integrated Reporting. The circular delivers on the IOSCO Principle 16 that states ‘there should be full, accurate and timely disclosure of financial results, risks and other information that is material to investors’ decisions’. SEBI recommended strongly that Integrated Reporting may be adopted on a voluntary basis from the financial year 2017-18 by the top 500 companies, which are required to prepare Business Responsibility Report (BRR). It’s not only the regulators but also corporates who have started realizing the need to have a fundamental change in reporting wherein the focus is not on the financial capital but on demonstrating the value created by the entity while operating within its economic, social and environmental system.

The reporting scenario in India is still in nascent stage with nearly 45 plus companies integrating their sustainability performance into their reports. Sectors that lead integrated reporting initiative in India include construction and building material, metals and mining, oil and gas and chemicals while sectors like transportation, finance, trade and retail and communications and media have no reports or few may be. However, the industry has been showing positive signs in embracing this concept and recent policy developments including ‘National Voluntary Guidelines on Social, Environmental and Economic Business responsibilities of Business’ will bolster the reporting efforts in India. Globally economic considerations, innovation, employee motivation and cost savings are some of the key business drivers for companies to adopt sustainability; in India it is seen that strengthening reputation and brand and ethical considerations compels companies to adopt this concept. This contrast highlights that Indian companies still have not integrated sustainability into mainstream business strategy and operations.

TRANSPARENCY AND RELEVANCE ADDED TO FINANCIAL REPORTING:

Information disclosed in a Financial report, should have the quality of Relevance, Transparency, Reliability and Understandability. More transparent the information disclosed, more reliable the data is, and more trust the investors will have on such organization. Integrated Reporting is communicating organization’s performance to the stakeholders about the organization’s financial and non-financial objectives, strategies- implementation and results. Financial information is not sufficient these days, hence integration of financial and sustainability information is the need. For any stakeholder especially an investor, whether to invest in the company or not question arises. For the same investor would investigate its financial reports, there will be many questions unanswered looking at the financial reports. Satisfactory- relevant information is disclosed in an Integrated report,

through which investors can come to know the safety of their investment which aids their decision making. Thus an integrated report fills the gap as it gives more transparent and relevant information that will be useful for prospective investors and other stakeholders.

LITERATURE REVIEW:

Michael P. Krzus (2011) clarifies the meaning of integrated reporting. Author says that term “integrated reporting” is providing one report that fully integrates a company’s financial and non-financial (including environmental, social, governance, and intangibles) information. But it is far more than combining financial and non-financial performance into a single document. Benefits that a company will get on adopting integrated reporting are also mentioned. Also the authors say that it is the right time to adopt integrated reporting practice.

Stefănescu, Tudor Opreșor, Mara Andreea Sîntejudeanu (2016) aimed in providing a transparency assessment tool, highlighting the importance of disclosing qualitative information to stakeholders to increase accountability in the public sector. The agency theory, stakeholders and legitimacy theory underpinning transparency in reporting as an enabler of public accountability ensure a more holistic approach in developing the disclosure framework. The main contribution of this paper relates to its methodology, comprising both quantitative and qualitative disclosures. The quantitative index was developed by overlapping the indicative metrics from the GRI guidelines and the structure of the six capitals defined by the integrated reporting framework.

Hoque M. (2017) in the article described that sustainability and transparency issues have been evolving the nature of corporate reporting. On these issues stakeholders are very keen to get access financial and nonfinancial information on companies’ business activities and sustainable value creation. Despite availability of information, yet many stakeholders cannot use pertinently the disclosed information due to separation of reports. Thus, “Integrated Report” brings together financial and nonfinancial measure in one-piece of the report. It also shows the links among financial and nonfinancial performance metrics. This paper highlights integrated reporting as the holistic reporting approach for company and discusses the potentiality of a single report. Specifically, what integrated report can do for companies and stakeholder, for instance, integrated report for sustainability and corporate social responsibility reporting, improvement in stakeholder engagement process and integrated thinking lead to changes in corporate Behaviour as well as for enhancing reputation and performance.

RESEARCH METHODOLOGY

Research Objectives:

1. To know the perception of accounting professionals towards reporting of Accountability of top level management after adoption of Integrated reporting system.
2. To know the perception of accounting professionals towards Transparency in reporting after adoption of Integrated reporting system.

Research Design:

Integrated reporting system has not been made compulsory in India. Several Indian companies have adopted some aspects of Integrated reporting. In the current research work we are exploring the impact of integrated reporting on Accountability of Top Level of management. We made an attempt to know the perception of accounting professionals towards the impact of adoption of Integrated Reporting System. Hence, we have adopted explorative research design.

Type of Data:

We have used secondary data from various books, journals and annual reports of companies for reference. We have collected primary data from accounting professions in the form of Structured Questionnaire.

Data Collection Tool and Technique:

We had used structured Questionnaire to collect data from accounting professionals of Ahmedabad. We had conducted survey for data collection from respective respondents (Accounting Professionals).

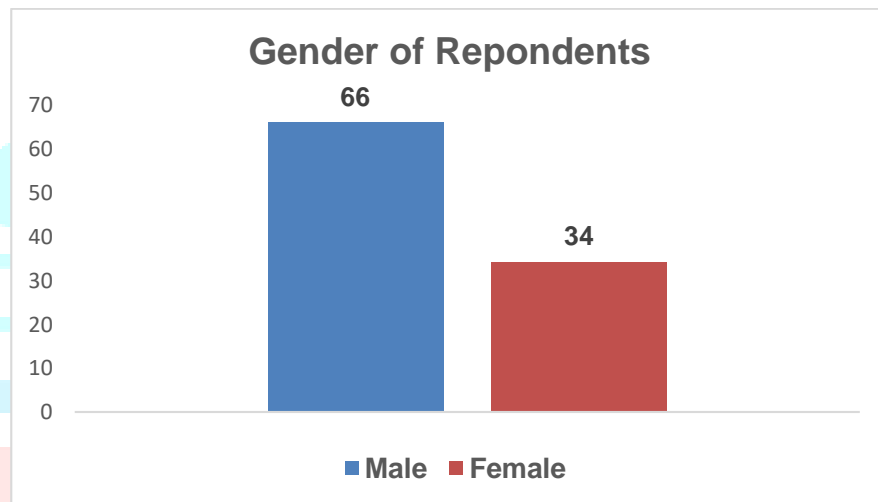
Sampling Plan:

We need accounting professionals who have exposure of Indian Corporate Accounting as well as International Accounting. Hence we have selected respondents on the basis of their work profile. We have used Judgmental Sampling.

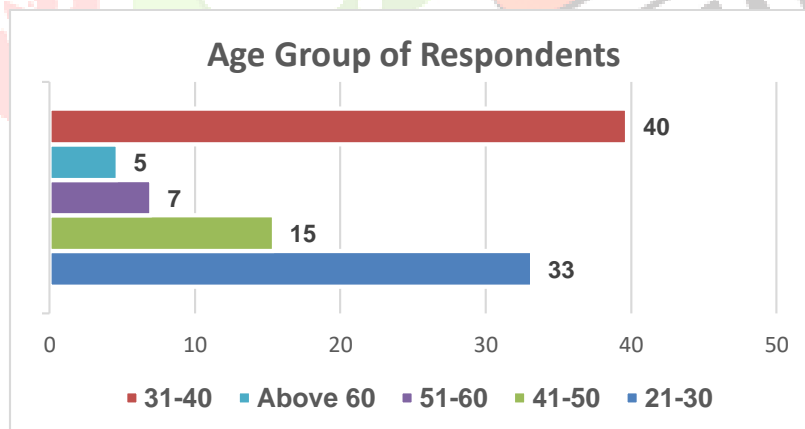
We have collected data from total 214 accounting professionals. We have included Chartered Accountants, Cost and Management Accountants, Company Secretaries and Chartered Financial Accountants.

DATA ANALYSIS:

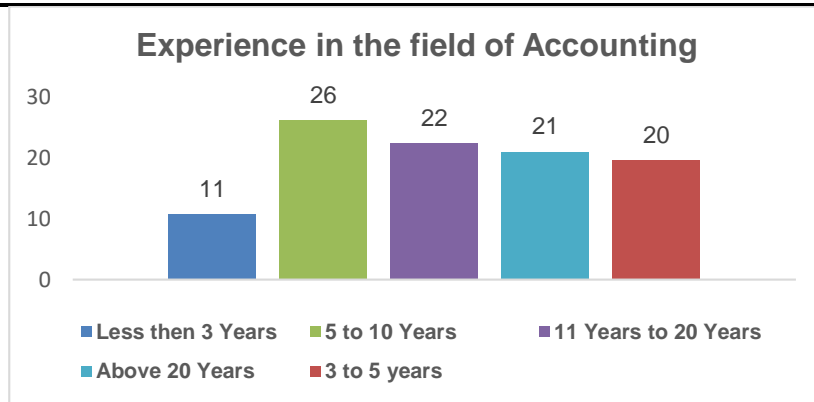
PERCENTAGE ANALYSIS



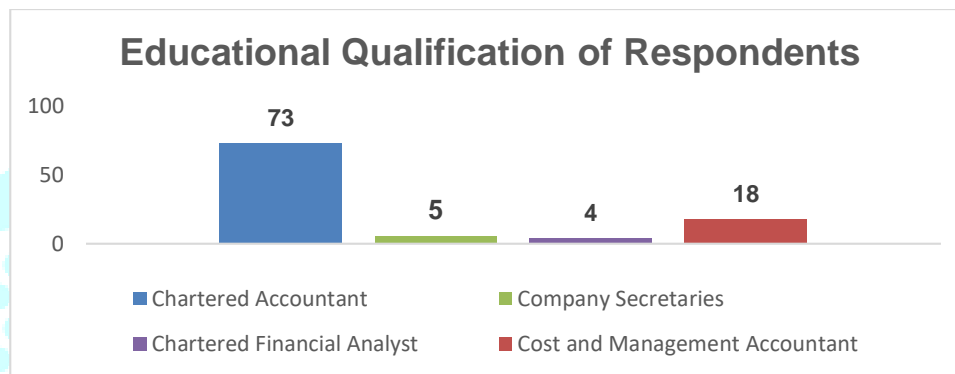
Out of total respondents we have selected 66 males and 34 females for opinion about impact of adoption of Intergrated Reporting system on Transparency and Relevancy of financial disclosure.



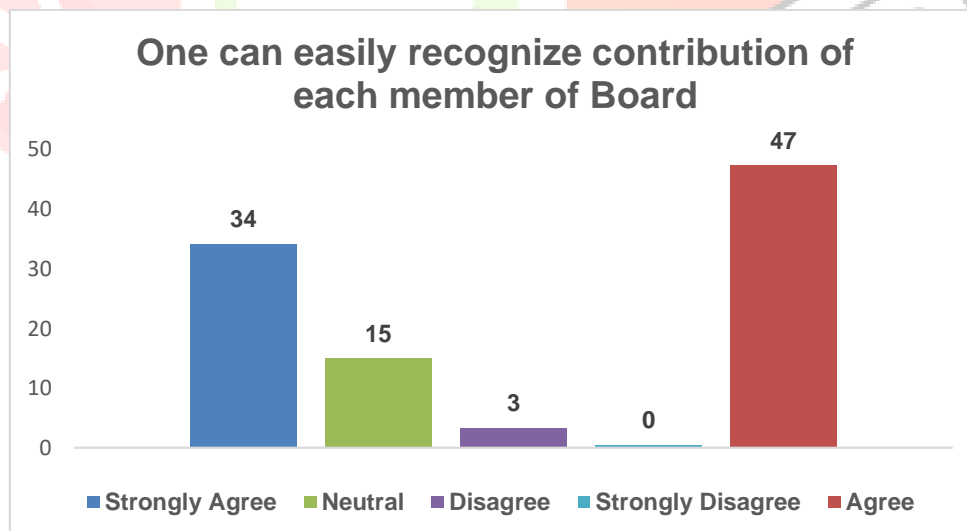
We had made an attempt to collect data from all the age group of respondents. Out of total respondents we have selected for our survey 40% respondents are in the age group of 31 to 40 (Young ones and matures). Out of the total respondents one third are very young professionals in the age group of 21 to 30 years. We have collected data from 15% respondents in the age group of 41 to 50. Just 7% respondents are in the age group of 51 to 60 years. 5% respondents are above the age of 60 years.



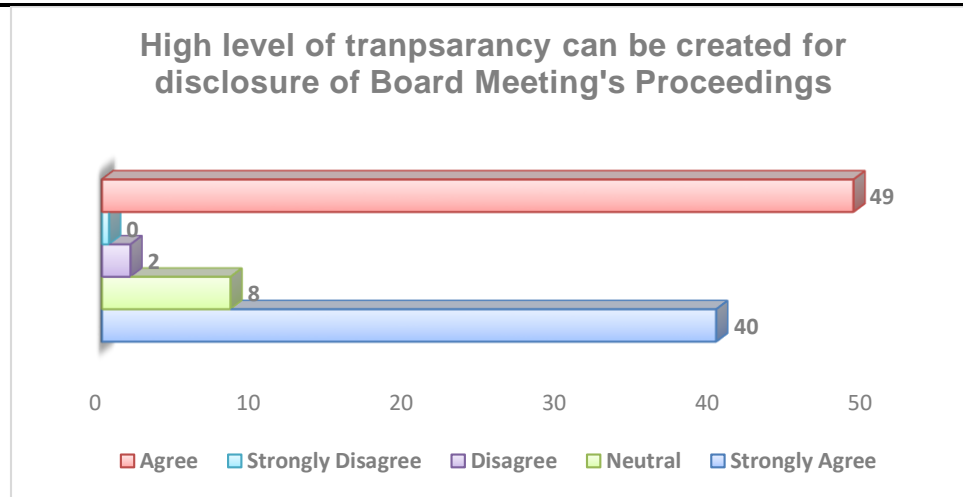
We had made an attempt of collecting responses from all experience age group. Hence we have received responses nearly one fifth of the total respondents having experience of 5 to 10 Year, 11 to 20 Years, 3 to 5 Years and Above 20 Years. We have obtained just one tenth of data from younger ones having experience of less than 3 years



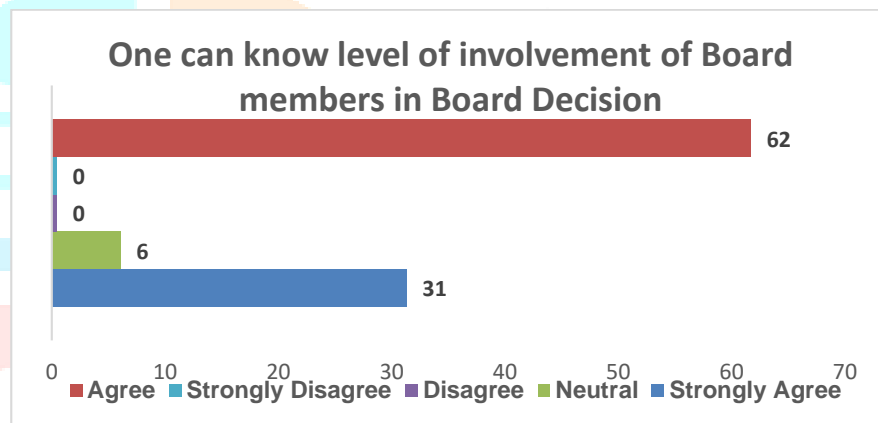
We have collected data from various accounting professionals. Out of total respondents we have contacted 73% are Chartered Accountants, 13% are Cost and Management Accountant, 5% are Company Secretaries and 4% are Chartered Financial Analyst.



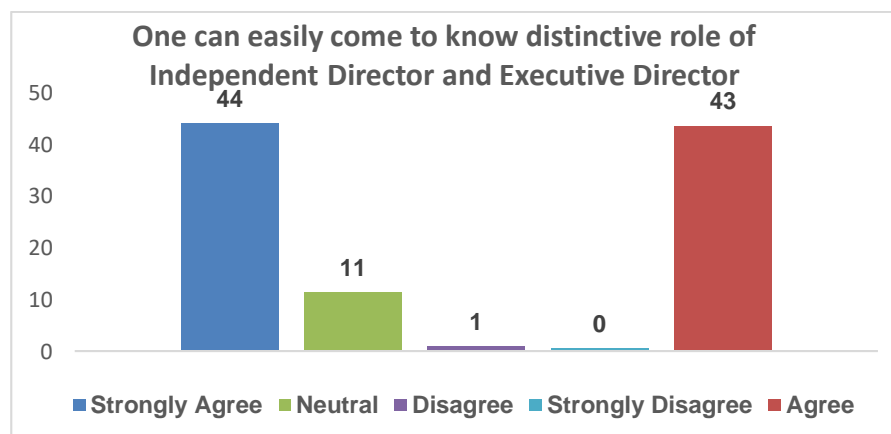
47% respondents are of the opinion that by adopting Board Meeting and company's important decisions. 34% respondents are "Strongly Agree with opinion that Integrated Reporting System can recognize contribution of each member of Board. 15% respondents are Neutral about the claim of easy recognition of contribution of board member in the decision of company. 3% respondents are not agreeing with the claim.



49% respondents are of the opinion that by adopting integrated report high level of transparency can be created for disclosure of board meeting's proceedings. 40% respondents strongly agree with the opinion that Integrated Reporting system can increase transparency level of the disclosures that helps the Board Meetings proceedings. 8% respondents are neutral about this belief that it increases the level of transparency of the disclosures. 2% respondents are not agreeing to this opinion.

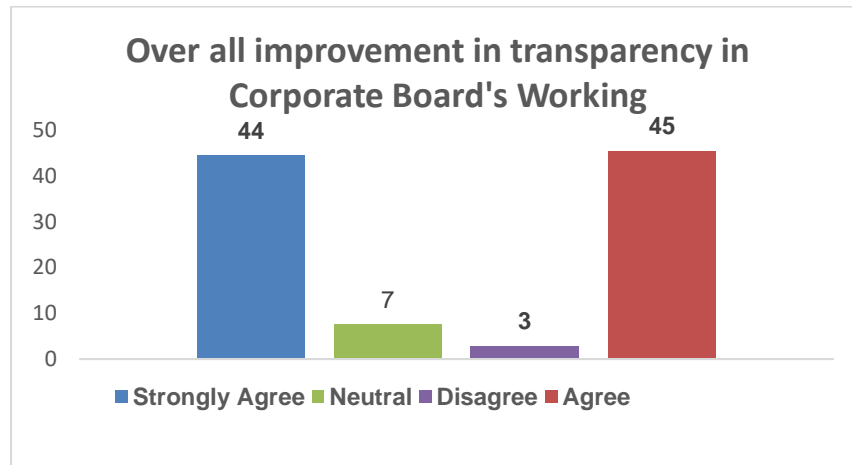


62% respondents are of the opinion that by adopting integrated reporting the level of involvement of Board members in the board decisions can be known. 31% respondents strongly agree to the point that adaption of Integrated Reporting system helps knowing the level of involvement of Board members in the board decisions. 6% respondents neither believe that by adopting integrated reporting the level of involvement of Board members in the board decisions can be known nor disagree with the same.

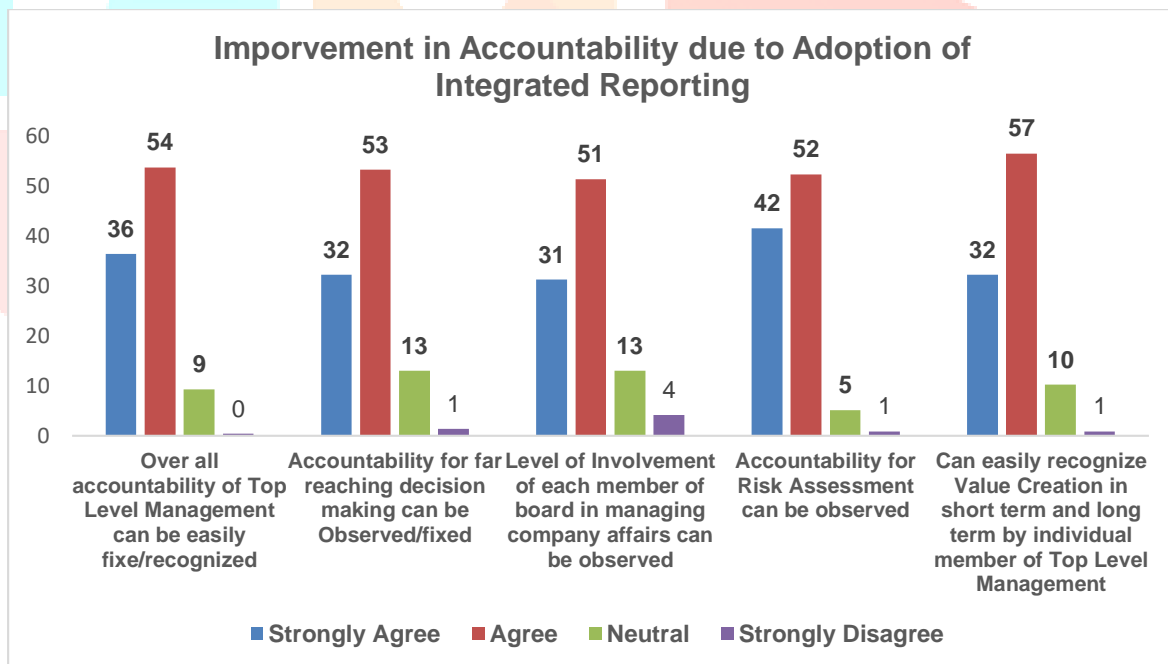


44% respondents strongly believe that by implementing Integrated reporting system one can easily come to know the role of Independent Director and Executive Director. 43% respondents agreed that by implementing Integrated reporting system one can easily come to know the role of Independent Director and Executive Director. 11% were neutral on this opinion.

1% respondents did not agree that by implementing Integrated reporting system one can easily come to know the role of Independent Director and Executive Director.



45% respondents agreed that adoption of Integrated Reporting improves the transparency in Corporate Board’s working. 44% respondents strongly agreed that due to Integrated Reporting overall improvement in transparency is seen in the Board’s working. 7% respondents are neutral to this. 3% respondents strongly disagree that adoption of Integrated Reporting improves the transparency in Corporate Board’s working.



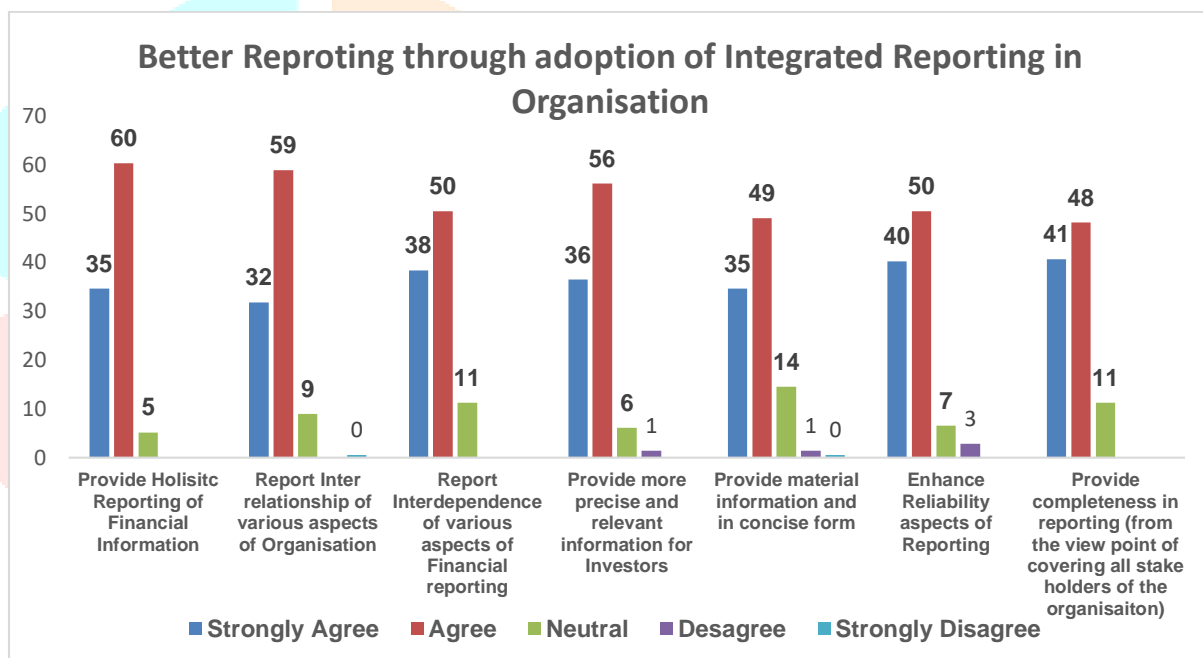
54% respondents agree that overall accountability of top management can be easily recognized due to integrated reporting. 36% respondents strongly agree to the overall accountability of top management can be easily recognized due to integrated reporting. 9% respondents are neutral on the opinion of overall accountability of top management can be easily recognized due to Integrated reporting.

53% respondents are of the opinion that accountability for far reaching decision making can be observed/fixed by adopting integrated reporting. 32% respondents strongly agree that accountability for far reaching decision making can be observed/fixed by adopting integrated reporting. 13% respondents are neutral on this. 1% respondents strongly disagree that accountability for far reaching decision making can be observed/fixed by adopting integrated reporting.

51% respondents are of the opinion that due to Integrated Reporting the level of Involvement of each member of the board in managing company affairs can be observed. 31% respondents strongly believe that due to Integrated Reporting the level of Involvement of each member of the board in managing company affairs can be observed. 13% respondents are neutral. 4% respondents strongly disagree that due to Integrated Reporting the level of Involvement of each member of the board in managing company affairs can be observed.

52% respondents are of the opinion that due to adoption of Integrated Reporting accountability of risk assessment can be observed. 42% respondents strongly agreed that due to adoption of Integrated Reporting accountability of risk assessment can be observed. 5% respondents are neutral on this. 1% respondents strongly disagreed that due to adoption of Integrated Reporting accountability of risk assessment can be observed.

57% respondents are of the opinion that one can easily recognize the value through short term and long term by individual member of top level management by adopting integrated reporting. 32% respondents strongly believe that one can easily recognize the value through short term and long term by individual member of top level management by adopting integrated reporting. 10% are neutral on this. 1% strongly disagree to the statement that one can easily recognize the value through short term and long term by individual member of top level management by adopting integrated reporting.



60% respondents agree that Integrated reporting gives Holistic Reporting of Financial Information. 35% respondents strongly agreed that Integrated Reporting provides Holistic Financial Information. 5% respondents were neutral.

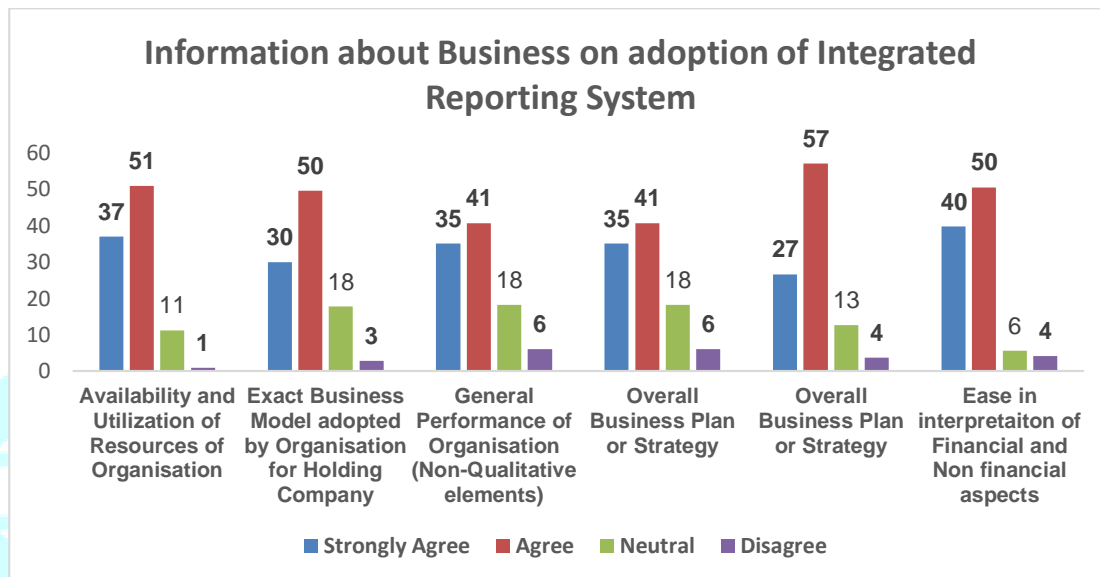
59% respondents agreed that due to adoption of Integrated Reporting Inter-relationship between various aspects can be known. 32% respondents strongly agreed that due to adoption of Integrated Reporting Inter-relationship between various aspects can be known. 9% respondents are neutral on this.

50% respondents agreed because of Integrated reporting Interdependence of various aspects of Financial reporting can be known. 38% respondents strongly believed that various Interdependent aspects of Financial reporting can be observed due to Integrated Reporting. 11% respondents' opinion is neutral on this.

56% respondents believed that Investors can come to know more precise and relevant information by adopting integrated reporting. 36% strongly believed Integrated Reporting provide more precise and relevant information to Investors. 6% respondents were of neutral opinion. 1% respondent strongly disagreed to the point that Integrated Reporting provide more precise and relevant information to Investors.

49% respondents believe that Integrated reporting provides material information in concise form. 35% respondents strongly agreed that material information in concise form is disclosed in case of integrated report. 14% are of neutral opinion. 1% respondents disagreed that integrated reporting provides material information in concise form.

50% respondents believed that reliability is enhanced by adopting integrated reporting. 40% respondents agreed that in an Integrated report reliability aspect of reporting has been enhanced. 7% respondents are of neutral opinion. 3% did not agree that reliability is enhanced by adopting integrated reporting.



51% respondents are of the opinion that by adopting integrated reporting practice information about availability and utilization of resources of an organization can be known. 37% respondents strongly agreed that because of Integrated reporting one can come to know organizations' resources – its availability and utility. 11% respondents are of neutral opinion. 1% did not agree that by adopting integrated reporting practice information about availability and utilization of resources of an organization can be known.

Information regarding exact business model adopted by an organization for holding company can be obtained is believed by 50% respondents. 30% respondents strongly agree that Information regarding exact business model adopted by an organization for holding company can be obtained. 18% respondents were of neutral opinion. 3% respondents did not believe that one can come to know the Information regarding exact business model adopted by an organization for holding company.

41% respondents believed that general performance related to non-qualitative elements can be known through integrated reporting. 35% respondents strongly agreed that information regarding general performance and non-qualitative elements can be availed due to integrated reporting. 18% are of neutral opinion. 6% respondents did not believe that general performance related to non-qualitative elements can be known through integrated reporting.

57% respondents believed that information regarding overall business plan or strategy can be obtained through integrated reporting. 27% strongly agreed to the same. 13% respondents were of neutral opinion. 4% respondents did not agree that information regarding overall business plan or strategy can be obtained through integrated reporting.

50% respondents are of opinion that due to adoption of integrated reporting there is an ease in interpretation of financial and non-financial aspects. 40% respondents strongly believed that due to adoption of integrated reporting there is an ease

in interpretation of financial and non-financial aspects. 6% respondents were of neutral opinion. 4% respondents did not agree that due to adoption of integrated reporting there is an ease in interpretation of financial and non-financial aspects.

HYPOTHESIS TESTING

I. Influence of Age group on Perception about various aspects of Transparency for involvement of Top level management members in meetings of Company after adoption of Integrated Reporting System.

H0: There is no significant influence of Age Group on perception about various aspects of Transparency for involvement of Top level management members in meetings of Company after adoption of Integrated Reporting System.

H1: There is significant influence of Age Group on perception about various aspects of Transparency for involvement of Top level management members in meetings of Company after adoption of Integrated Reporting System.

Transparency for involvement of Top level management members in meetings of Company	Chi-Square P-Value
One can easily recognize contribution of each member of Board	0.669
High level of transparency can be created for disclosure of Board Meeting's Proceedings	0.564
One can know level of involvement of Board members in Board Decision	0.475
One can easily come to know distinctive role of Independent Director and Executive Director	0.706
Overall improvement in transparency in Corporate Board's Working	0.926

As the (chi-square) value of the (different) various aspects of Transparency for involvement of Top level management members in meetings of Company after adoption of Integrated Reporting System is higher than 0.05 we can conclude that there is significant influence of Age group on Perception about “Transparency for involvement of Top level management” members in meetings of Company after adoption of Integrated Reporting System. Thus we can conclude that H1 is accepted in the given case.

II. Influence of Age Group of Respondents on perception towards various aspects of accountability of Top Level Management can be easily fixe/recognized with the adoption of Integrated Reporting System

H0: There is no significant influence of Age Group of Respondents on perception towards various aspects of disclosure of accountability of Top Level Management can be easily fixe/recognized with the adoption of Integrated Reporting System

H1: There is significant influence of Age Group of Respondents on perception towards various aspects of disclosure of accountability of Top Level Management can be easily fixe/recognized with the adoption of Integrated Reporting System

various aspects of accountability of Top Level Management	Chi-Square P-Value
Over all accountability of Top Level Management can be easily fixe/recognized	0.72
Accountability for far reaching decision making can be Observed/fixed	0.55
Level of Involvement of each member of board in managing company affairs can be observed	0.62
Accountability for Risk Assessment can be observed	0.43
Can easily recognize Value Creation in short term and long term by individual member of Top Level Management	0.08

As the (chi-square) value of the (different) various aspects of disclosure of accountability of Top Level Management can be easily fixe/recognized with the adoption of Integrated Reporting System is higher than 0.05 we can conclude that there is no significant influence of Age group on Perception about disclosure of accountability of Top Level Management can be easily fixe/recognized with the adoption of Integrated Reporting System Thus we can conclude that H1 is accepted in the given case.

III. **Influence of Age Group of Respondents on perception towards various aspects of Accuracy and Relevancy of Financial Reporting**

H0: There is no significant influence of Age Group of Respondents on perception towards various aspects of Accuracy and Relevancy of Financial Reporting with the adoption of Integrated Reporting System.

H1: There is significant influence of Age Group of Respondents on perception towards various aspects of Accuracy and Relevancy of Financial Reporting with the adoption of Integrated Reporting System.

Different Aspects of Relevancy and Accuracy of Financial Reporting	(Chi-Square test) P Value
Provide Holistic Reporting of Financial Information	0.33
Report Inter relationship of various aspects of Organisation	0.27
Report Interdependence of various aspects of Financial reporting	0.84
Provide more precise and relevant information for Investors	0.68
Provide material information and in concise form	0.39
Enhance Reliability aspects of Reporting	0.049

As the (chi-square) value of the (different) various aspects of Relevancy and Accuracy of financial reporting with the adoption of Integrated Reporting System is higher than 0.05 we can conclude that there is no significant influence of Age group on Perception about Different Aspects of Relevancy and Accuracy of Financial Reporting other than Enhancement of Reliability of Reporting.

Thus we can conclude that H0 is accepted for Holistic Reporting, Reporting of Inter relationship of various aspects, Inter-dependence, Precision of reporting and materiality of information. Thus we can conclude that we accept H0 for all such aspects.

However, we can say perception about “Enhance Reliability aspects of Reporting” after adoption of integrated reporting system is influenced by Age group of respondents. So we are rejecting H0 for Enhancement of Reliability aspects of reporting

IV. Influence of Age Group of Respondents on perception towards various aspects of Organisational Information

H0: There is no significant influence of Age Group of Respondents on perception towards various aspects of Organisational Information with the adoption of Integrated Reporting System.

H1: There is significant influence of Age Group of Respondents on perception towards various aspects of Organisational Information with the adoption of Integrated Reporting System.

Different aspects of Organisational Information	Chi-Square (P-Value)
Provide Completeness in reporting	0.89
Availability and Utilization of Resources of Organisation	0.65
Exact Business Model adopted by Organisation for Holding Company	0.00
General Performance of Organisation (Non-Qualitative elements)	0.25
Overall Business Plan or Strategy	0.69
Ease in interpretation of Financial and Non-financial aspects	0.31

As the (chi-square) value of the (different) various aspects of Organisational Information with the adoption of Integrated Reporting System is higher than 0.05 we can conclude that there is no significant influence of Age group on Perception about various aspects of Organisational Information except reporting of Business model adopted.

As P value of chis-square test for Overall Business Plan or Strategy information reporting after adoption of Integrated Reporting System is less than 0.05 we can conclude that there is significant influence of Age group of respondents and perception about better reporting for Overall Business Plan of Strategy.

V. **Influence of Experience of Respondents on Perception about various aspects of Transparency for involvement of Top level management members in meetings of Company after adoption of Integrated Reporting System.**

H0: There is no significant influence of Experience of Respondents on perception about various aspects of Transparency for involvement of Top level management members in meetings of Company after adoption of Integrated Reporting System.

H1: There is significant influence of Experience of Respondents on perception about various aspects of Transparency for involvement of Top level management members in meetings of Company after adoption of Integrated Reporting System.

Transparency for involvement of Top level management members in meetings of Company	Chi-Square P-Value
One can easily recognize contribution of each member of Board	0.48
High level of transparency can be created for disclosure of Board Meeting's Proceedings	0.344
One can know level of involvement of Board members in Board Decision	0.529
One can easily come to know distinctive role of Independent Director and Executive Director	0.942
Overall improvement in transparency in Corporate Board's Working	0.240

As the (chi-square) value of the (different) various aspects of Transparency for involvement of Top level management members in meetings of Company after adoption of Integrated Reporting System is higher than 0.05 we can conclude that there is significant no significant influence of Experience of respondents on all aspects of “Transparency for involvement of Top level management” members in meetings of Company after adoption of Integrated Reporting System. Thus we can conclude that H1 is rejected in the given cases.

VI. Influence of Experience of Respondents on perception towards various aspects of accountability of Top Level Management can be easily fixe/recognized with the adoption of Integrated Reporting System

H0: There is no significant influence of Experience of Respondents on perception towards various aspects of disclosure of accountability of Top Level Management can be easily fixe/recognized with the adoption of Integrated Reporting System

H1: There is significant influence of Experience of Respondents on perception towards various aspects of disclosure of accountability of Top Level Management can be easily fixe/recognized with the adoption of Integrated Reporting System

various aspects of accountability of Top Level Management	Chi-Square P-Value
Over all accountability of Top Level Management can be easily fixe/recognized	0.83
Accountability for far reaching decision making can be Observed/fixed	0.07
Level of Involvement of each member of board in managing company affairs can be observed	0.46
Accountability for Risk Assessment can be observed	0.54
Can easily recognize Value Creation in short term and long term by individual member of Top Level Management	0.07

As the (chi-square) value of the (different) various aspects of disclosure of accountability of Top Level Management can be easily fixe/recognized with the adoption of Integrated Reporting System is higher than 0.05 we can conclude that there is no significant influence of Experience of Respondents on Perception about disclosure of accountability of Top Level Management can be easily fixe/recognized with the adoption of Integrated Reporting System Thus we can conclude that H1 is rejected in the given case.

VII. **Influence of Experience of Respondents on perception towards various aspects of Accuracy and Relevancy of Financial Reporting**

H0: There is no significant influence of Experience of Respondents on perception towards various aspects of Accuracy and Relevancy of Financial Reporting

with the adoption of Integrated Reporting System.

H1: There is significant influence of Experience of Respondents on perception towards various aspects of Accuracy and Relevancy of Financial Reporting

with the adoption of Integrated Reporting System.

Aspects of Accuracy and Relevancy of Financial Reporting	(Chi-Square test) P Value
Provide Holistic Reporting of Financial Information	0.55
Report Inter relationship of various aspects of Organisation	0.53
Report Interdependence of various aspects of Financial reporting	0.48
Provide more precise and relevant information for Investors	0.70
Provide material information and in concise form	0.24
Enhance Reliability aspects of Reporting	0.04

As the (chi-square) value of the (different) various aspects of Relevancy and Accuracy of financial reporting with the adoption of Integrated Reporting System is higher than 0.05 we can conclude that there is no significant influence of Experience of Respondents on Perception about Different Aspects of Relevancy and Accuracy of Financial Reporting other than Enhancement of Reliability of Reporting.

Thus we can conclude that H0 is accepted for all aspects of Relevancy and Accuracy.

VIII. Influence of Experience of Respondents on perception towards various aspects of Organisational Information

H0: There is no significant influence of Experience of Respondents on perception towards various aspects of Organisational Information with the adoption of Integrated Reporting System.

H1: There is significant influence of Experience of Respondents on perception towards various aspects of Organisational Information with the adoption of Integrated Reporting System.

Different aspects of Organisational Information	Chi-Square (P-Value)
Provide Completeness in reporting	0.73
Availability and Utilization of Resources of Organisation	0.03
Exact Business Model adopted by Organisation for Holding Company	0.03
General Performance of Organisation (Non-Qualitative elements)	0.33
Overall Business Plan or Strategy	0.05
Ease in interpretation of Financial and Non-financial aspects	0.06

As the (chi-square) value of the (different) various aspects of Organisational Information with the adoption of Integrated Reporting System is higher than 0.05 we can conclude that there is no significant influence of **Experience of Respondents** on Perception about Completeness in reporting, General Performance information and Ease in interpretation of financial and non-financial aspects.

As P value of chi-square test for perception for Availability and Utilization of Resources of Organisation, Exact Business Model adopted and Overall Business Plan or Strategy disclosure after adoption of Integrated Reporting System is less than 0.05 we can conclude that there is significant influence of Experience of Respondents on such perception.

FINDINGS

Transparency of Top Level Management's working

- 1) One Third of Respondents "strongly" believe that by implementing integrated reporting system one can easily reorganize condition of board member for managing company. ½ the respondents of "Agree" for such matter.
- 2) Board meeting is a routine activity for every corporate activity. Proceeding of a board meeting is a document that reveals the majority of decision and involvement of board members in such a decision. Total 89 % respondents believe that adoption of integrated reporting system makes of disclosure of board meeting proceed and can create higher level of transparency.
- 3) 62 percent respondents believe that adoption of integrated reporting system can make board members least and particular in the meeting which may lead to better decision making.
- 4) Independent directors and executive directors are too important and compulsory types of directors in composition of board under private corporate governance practices. By implementing integrated reporting system one can distinctively know the role of "Independent director" and "Executive director's" in the proceeding of board meeting.

Accountability aspect

- 1) Accountability of top level management reorganization to the financial report uses is very important. 91 % respondent believes that by adopting integrated reporting system overall accountability of top level management can be reorganized very easily.
- 2) Accountability for major or important decision amongst the most key decision makes / top level management / board of directors can be observed / fixed as per 53 % respondents.
- 3) Individual (contribution) in the decision making of top level management in board meeting can be observed very easily – is believed by half of respondents.
- 4) "Risk assessment" is one of the important and key function of top level management. One can come to know the involvement of board members in "Risk Assessment" process after adopting Integrated Reporting such positive perception is there with "half" of respondent.
- 5) The role of top level management is very "crucial. 55 % respondents believe that after adopting integrated reporting system one can easily come to know value addition done by board member in long term.
- 6) Accountability reorganizing can easily contribute in overall transparency in policy and measurement of efforts for implementing of efforts.

Overall reporting

- 1) 60 % respondents are believing that by adopting integrated reporting system overall/ Holistically reporting system will be in..... to greater extent.
- 2) 60 % respondents believe that Inter dependence and Inter relationships between business units of organizations departments can be known very easily through integrated reporting.
- 3) Half of accounting professionals can come to know believes that financial statement uses are inter dependence of various financial and non-financial aspects.

Investors are always seeking relevant and accurate information to take decision of investment in the company. Half of the accounting professionals believe such expectations can be full filled by adopting integrated financial reporting system.

"Reliability is one of the most important characteristic of every corporate entity. 90 % accounting professionals believe that after adopting of integrated reporting system reliability of financial statement can be enhanced significantly.

Reporting transparency for overall business

- 1) Better / Actual resources utilization can be known after adoption of integrated reporting system.
- 2) 80% respondents believe that adoption reporting system can be reveal actual business model adopted by respective business entity.
- 3) Nearby 1/3 respondents believe that adoption of integrated reporting system may result into better reporting of performed of business unit (Non- Qualitative Aspects)
- 4) 41% respondents strongly believe that adopting of integrated reporting can depict “Business strategy “effectively.
- 5) 90% respondents are of the opinion that adoption of integrated reporting system can make interpreting of financial and non-financial data yearly easily.

We have examined various demographic aspects influence on perception towards. Transparency and Accountability through integrated reporting system adoption.

Hypothesis Testing:

However, we have examined the above facts with the help of chi-square test and concluded as follows.

- 1) There is no significant influence of Age group of respondents and experience of respondents on perception towards various all aspects of “Transparency “.
- 2) Perception of improvement in adoption of accountability after adoption of integrated reporting system is not influence by age group of respondent and experience of respondents.
- 3) We can conclude that opinion of accounting professionals about “Transparency “and “Accountability “off firm is absolute unbiased and not influenced by demographic aspect of respondent’s/ accounting professionals.
- 4) Perception about enhancement of reliability of reporting after adoption of integrated reporting system is affected by or significantly influenced by Age groups of accounting professionals.
- 5) Reporting relating to organization’s resources utilization, Business model adoption and business strategy adopted can be enhanced –such perception is also not influenced by Age of respondents.
- 6) Perception of accounting professionals towards recollecting business model through adoption of integrated reporting system is influenced by Age-group of respondents.
- 7) Perception towards disclosure about utility of resources of organization, adoption of business model adopted by holding company and declaration of overall business strategy is influenced by experienced of accounting professionals.

CONCLUSION

Financial reporting is very crucial for decision making amongst Investors, Employees, Government and Regulating authorities too. Current research work conclude that Integrated Reporting system can provide Holistic view of the Organisation which can’t be obtained through current and conventional reporting. Integrated reporting system can provide all the detail aspects of involvement of top level management personnel in managerial decisions. Over and above current research revealed that the adoption of Integrated reporting system can make over all reporting more transparent and relevant. With the help of integrated reporting system Investors can get more information about Organisational policies and plans and level of utilization of resources too.

However, Integrated reporting is not compulsory in India. At present several corporate entities had adopted Integrated reporting system at their own discretion. For better implementation of integrated reporting system role of regulator is crucial. Hence, regulators need to be accountable for proper implementation of Integrated Reporting System.

REFERENCES

- Hoque, M. E. (2017). *Why company should adopt integrated reporting?. International Journal of Economics and Financial Issues*, 7(1).
- Kothari, C. R. (2004). *Research methodology: Methods and techniques. New Age International*.
- Krzus, M. P. (2011). *Integrated reporting: if not now, when. Zeitschrift für internationale Rechnungslegung*, 6(6), 271-276.
- Stefanescua, C. A., Oprisora, T., Sntejudeanua, M. A., Oprisor, T., & Sntejudeanu, M. A. (2016). *An original assessment tool for transparency in the public sector based on the integrated reporting approach. Accounting and Management Information Systems*, 15(3), 542.

